GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:6179
ANSWERED ON:06.05.2005
INSPECTION OF REGISTERED COMPANIES
Ahmad Shri Ateeq;Bishnoi Shri Kuldeep

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether out of the 6,52,000 companies operating in the country, inspection of not even one per cent of the companies is being carried out;

(b) if so, the reasons for casual approach of the Government towards inspection; and

(c) the fresh steps taken/proposed to be taken by the Government to augment the strength of Indian Company Law Service?

Answer

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) & (b) Yes Sir, the Government takes the function of inspection as provided under the Companies Act, 1956 with due seriousness. The inspection function of the Ministry has been geared up by drawing up a framework for regular inspections by all the available inspecting staff, timely completion of the inspections already taken up and proper follow up, for prosecution of violations/contraventions of the law.

(c) The Cadre Review of the Indian Company Law Service (ICLS) is in process.